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30 June 1960

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CENTRAL INTELLIGENCE





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CENTRAL INTELLIGENCE BULLETIN

30 June 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

SIBAB LEast Germany: In response to the British protest concerning the 21 June assault by East German secret police on the British military liaison mission in Potsdam, the Soviet commander in chief in East Germany, although cool and correct, took a conciliatory attitude. He told the British that he is investigating the incident and will take measures to see, not only that such an incident is not repeated, but that the mission will be allowed to "fulfill its role" strictly in accordance with the existing British-Soviet agreement. The British believe that the Soviet commander's attitude suggests that the East Germans have been acting without Soviet blessing or at least that they have carried their harassing activities further than Soviet authorities had intended. The British caution, however, that the extent to which the USSR feels able and willing to insist on East German adherence to the terms of the agreement will provide a valuable clue to Soviet - East German relations in coming months.

II. ASIA-AFRICA

Nepal - Communist China: The clash between Nepalese and Chinese border units on 26 June, in which Katmandu charges that one army officer was killed and 15 unarmed Nepalese captured, will make much more difficult the implementation of border demarcation procedures recently ratified by 1 Peiping and Katmandu. Both capitals will probably try to prevent a build-up of tension, however, by referring the incident to the boundary committees now being organized. In India the effect of the clash will be to heighten anti-Chinese sentiment perhaps even more than in Nepal. (Page 1)

TOP SECRET

South Vietnam: The Vietnamese Communist clandestine communications network in southern Indochina has doubled in size during the past six months. Five new stations directly subordinate to the office of military intelligence in Hanoi have been detected—probably located in South Vietnam, and possibly lower Laos as well—and there are indications of the existence of at least one more station. This build-up, paralleling the recent upsurge in guerrilla operations in South Vietnam, suggests a sustained and possibly increased effort against the Diem government.

III. THE WEST

Venezuela - Dominican Republic: The Venezuelan foreign minister advised the diplomatic representatives of the American republics in Caracas on 27 June that the captured ringleaders of the 24 June assassination attempt on President Betancourt had disclosed Dominican involvement in the plot and stated that Venezuela was considering measures in response to this act of aggression. His confidential statement followed the release of a Venezuelan communiqué branding the Trujillo dictatorship a threat to hemispheric peace and morally incapacitated for membership in the OAS and the UN. The Venezuelan Government is likely to have recourse to the OAS or the UN before attempting retaliatory action. (Page 2)

Paraguay: The National Paraguayan Union, led by exiles of the Liberal and Febrerista parties and now supported by Asuncion leaders of these parties, reportedly plans to initiate revolutionary action shortly. The Union is the largest of the four main revolutionary groups and has not participated in the series of invasion attempts by the 14th of May Movement since last December. The four rebel groups have not yet agreed to cooperate, but they pose a growing threat to the Stroessner regime.

(Page 3)

30 June 60

DAILY BRIEF

ii

Approved for Release: 2020/03/13 C03189347

IV. WATCH COMMITTEE CONCLUSIONS

With respect to the question of Sino-Soviet bloc intentions to initiate hostilities, the Watch Committee Conclusions remain negative.

30 June 60

DAILY BRIEF

iii

TOP SECRET

Sino-Nepalese Border Clash

The clash between Nepalese and Chinese Communist border units on 26 June will make much more difficult the implementation of boundary demarcation procedures recently ratified by Katmandu and Peiping. The incident occurred in the isolated Mustang area, a salient in west-central Nepal projecting into Tibet. Prime Minister Koirala charged that a Nepalese checkpost officer had been killed and 15 Nepalese nationals "arrested." The boundary line between semi-autonomous Mustang and Tibet traditionally has been vague. Nepalese authorities on 29 June officially protested the "unprovoked" attack as a violation of the agreement reached in March demilitarizing the Sino-Nepalese border.

The Nepalese Government has attempted to maintain a detached position toward the Sino-Indian border dispute and to minimize Nepal's "minor" disagreements on boundary demarcation with China. To avoid involvement in incidents such as those which occurred in Assam and Ladakh, Koirala earlier this year sought a border agreement with Peiping recognizing the "traditional" boundary.

Nepal now has been placed, like India, in the position of an injured party in the dispute, and growing political pressures presumably will limit the government's ability to negotiate a final settlement with Peiping.

Peiping will probably not accept responsibility for the clash, but both governments are likely to try to ease current tension by referring the problem to the boundary commission now being set up.

The incident will heighten anti-Chinese sentiment in India per-
haps even more than in Nepal. Indian proponents of a more forceful
border policy toward the Chinese are likely to step up their pressure
on Nehru's government, particularly in light of the Indian prime min-
ister's previous statements that any attack on Nepal would be regard-
ed as an attack on India.

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Venezuela Considering Action Against the Dominican Republic

The Venezuelan foreign minister advised the diplomatic representatives of the American republics in Caracas on 27 June that the captured ringleaders of the 24 June assassination attempt on President Betancourt had disclosed Dominican involvement in the plot and that Venezuela was considering measures in response to this act of aggression. His confidential statement followed the release of a Venezuelan communique calling the Trujillo dictatorship a threat to hemispheric peace and morally incapacitated for membership in the OAS and the UN.

Venezuelan security forces have obtained evidence that the would-be assassins were trained and provided with explosive equipment in the Dominican Republic and flown to Venezuela illegally in a commercial airliner. The key leader is a Venezuelan naval captain exiled earlier this year for plotting against the government.

Betancourt was under pressure from his own military to act against Trujillo after the Dominican-supported uprising in Venezuela on 20-21 April, and such action would probably now be popular among almost all classes in Venezuela. The unprecedented condemnation this month by the OAS' Inter-American Peace Committee of the Trujillo regime for flagrant violation of human rights-charges initiated by Venezuela--may encourage Venezuela to have further recourse to OAS channels--and perhaps the United Nations in an effort to eliminate the Trujillo dictatorship.

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Large Paraguayan Opposition Group Plans Rebellion Soon

The National Paraguayan Union (UNP), led by exiled members of the Liberal and Febrerista parties, reportedly plans to initiate revolutionary action soon. Radiobroadcasts advocating open rebellion will begin shortly, For the first time in the history of the Febrerista party, its members—as well as Liberals inside Paraguay—are being alerted to prepare for armed action,
Liberal and Febrerista leaders in Asuncion are asking for volunteers to go to Argentina to join the invasion forces. two columns of 200 UNP members each slipped into Paraguay unnoticed on 23 June.
Previously, the UNPthe largest of the four revolutionary groupshas not carried out attacks, and the Asuncion party leaders have dissociated themselves from the revolutionary plotting of the various exile groups. The small clash on 21 June probably involved the 14th of May Movement, which has carried out the series of small attacks since last December. The Movement, which Cuba helped in its December attacks, still has a small band of guerrillas operating inside Paraguay.
The four groups plotting independently against the Stroessner regime have continued discussions regarding cooperation but thus far have failed to reach agreement. All of them, however, appear to have improved their organizations and supply situations and have been promised further help from Cuba and Venezuela if they agree to cooperate. Despite Stroessner's control of the army, the rebels pose an increasing threat to his regime.

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